

Developing Your Budget

Quick Guide

Disclaimer

This guide provides information on developing a budget for funding under the national justice reinvestment funding opportunity. This information is intended as a guide only and not as financial advice.

Overview of the purposes of a budget

The budget to be submitted with your grant application is designed to:

- Provide an estimate of costs and expenditure of activities included in your activity work plan (see: GUIDE: Preparing your activity work plan)
- Demonstrate 'value for money' - a key consideration for the assessment of your application (see below).

Keep in mind:

- The budget is a requirement for the grant. Your application will not be considered without a budget.
- The budget forms part of the story of your application and it needs to be connected to other parts of your application to tell a coherent story of what your project is about and how the funding sought will support it (more on this below).

Developing a budget for the NJRP

When to do your budget

There is no set time during the application drafting process for when you should develop your budget. Many communities, however, find it is easier to do the budget when they have drafted their activity work plan and have a good idea of what they will be looking to do and how they will do it.

If you are likely to include expenditure in your budget for larger purchases, it might also be a good idea to ask for quotes as early as possible to get an idea of likely cost.

Calculating your budget

The Grant Opportunity Guidelines for the National Justice Reinvestment Program (NJRP) do not provide guidance on how much funding might be provided to each grant applicant.

Applicants should keep in mind that the Commonwealth has committed to funding up to 30 communities until end of June 2026 through the NJRP, with a total funding allocation of \$65.5 million. It is expected that the Commonwealth will allocate the current funding commitment (of approximately \$21 million per annum) across these 30 communities.

What to include in your budget

The NJRP Grant Opportunity Guidelines provide guidance on what you can include in your budget.

Note that you can only spend NJRP funding on eligible activities included in your activity work plan (and as agreed and written into your grant agreement if you are successful in your application).

Eligible activities

The NJRP Grant Opportunity Guidelines identify eligible activities as those that ‘should seek to improve criminal justice outcomes that relate to the needs of a particular community and have strong local First Nations community leadership’.

Eligible activities are also identified as including (but as not limited to) the following.

Activities associated with community-led identification and implementation of JR activities, including creating and maintaining a team, systems and frameworks to support local leadership, governance and community engagement, JR plans and strategies.
Activities that build support for and understanding about JR within a community, including communications products, community engagement sessions and learning/education activities to build capacity and capability for JR.
Activities related to data, including collecting and working with community data, stories and knowledge, setting up local data platforms and working with government data.
Activities related to monitoring, evaluation and learning to ensure community-led initiatives and programs contribute to the program’s outcomes and objectives.
Activities associated with collaboration and working with stakeholders to advocate for changes to justice systems
Programs targeted at addressing possible drivers of contact with the criminal justice systems and improving justice outcomes

Eligible expenditure items

A critical part of your budget is understanding which areas of expenditure to include. Below is a summary of things that can be included in your budget.

- **Personnel Costs:** Include salaries for staff directly involved in the project. Be specific about their roles and make sure you have addressed in your application how these roles contribute to the project.
- **Operating Expenses:** Operating expenses like office rent, utilities, IT costs and office supplies (e.g., fit outs, rent, leases of computers and phones).
- **Project-Specific Expenses:** This includes costs directly related to your project activities, such as materials for workshops, travel expenses for community engagement, costs for engaging an external consultant or expert and for technology and materials used in the project. This could include costs associated with data collection, storage and maintenance.

- **Capacity Building:** If your project involves training or professional development, include these costs.
- **Minor Capital Expenditures:** For any minor capital works, ensure they are directly related to the project. Remember, the total cost should stay under the specified limit (with a total cost under \$250,000)

Ineligible activities and expenditure

You cannot use JR Grant funds for the following activities, unless otherwise agreed in your grant agreement:

- costs incurred in the preparation of a grant application or related documentation
- costs that have already been paid for via other funding sources
- capital expenditure worth over \$250,000 (an increase to this total may be considered for initiatives located in rural and remote areas)
- overseas travel
- the covering of retrospective costs (costs that were paid before the grant agreement was signed).

Connecting your budget to other parts of your application

In developing your grant application, we suggest that you make sure there is connection and alignment between your written responses to the assessment criteria, activity work plan and the budget.

All these elements of your application should complement and reinforce each other. And so, while your application as a whole tells your complete project 'story', the budget quantifies this story in dollar terms. Those assessing your application should not be surprised by any items included in your budget.

Demonstrating alignment between your project goals and budget

- **Connection with your activity workplan & assessment criteria:** Each item in your budget should directly relate to a specific goal or objective (and associated activity or deliverable) identified in your activity work plan and to your responses to the grant assessment criteria. This demonstrates clear alignment between what you plan to do and how you plan to fund it. E.g., if a key activity involves community workshops, there should be a corresponding budget line item for workshop-related expenses like venue hire, materials, and facilitators.
- **Cross-referencing to support consistency:** You could consider cross-referencing your budget items within your narrative responses, particularly to the assessment criteria, and with your activity work plan, where applicable. This is not a requirement.

Budget template

The JR Grant Application Activity Work Plan template includes a budget template and a useful example budget. The example budget is copied below.



You can choose whether to use this template or your own. If you manage other initiatives or your organisation has their own budget systems and reports, it can be useful to use those templates.

Please complete and upload in your Grant Application on GrantConnect. *Refer to Grant Guidelines section 5 for eligible and ineligible expenditure. *Amounts should be inclusive of GST.					
Organisation name:	The name of the organisation that will sign the grant agreement (must have an ABN) If your organisation is being auspiced by another organisation, it is their name				
Project title:					
Total grant funding sought (\$) (GST inclusive):	\$ 751,000.00	This is the total amount of funds you are applying for over the 3 years			
Directions: * Enter project details in Blank template (next tab)					
	2023-24 FINANCIAL YEAR	2024-25 FINANCIAL YEAR	2025-26 FINANCIAL YEAR	AUTOMATICALLY DO NOT ENTER DATA IN THEM	
Expenditure item	Grant funds requested for project activity including GST	Grant funds requested for project activity including GST	Grant funds requested for project activity including GST	Total cost including GST (include calculation method in 'Further Information' below)	Percentage of total project funding %
Example only Travel costs to undertake community outreach	\$ 3,000.00	\$ 2,000.00	\$ 1,000.00	\$ 6,000.00	1%
Example only Business fees for consultants / experts (for example, expert assistance and training in data collection and analysis)	\$ 10,000.00	\$ -		\$ 10,000.00	1%
Example only Staffing costs (include on-costs such as superannuation, etc)	\$ 160,000.00	\$ 180,000.00	\$ 200,000.00	\$ 540,000.00	72%
Example only Rental costs (office space, etc)	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 150,000.00	20%
Example only Supplies/Equipment costs (office space, etc)	\$ 15,000.00	\$ 10,000.00	\$ 10,000.00	\$ 35,000.00	5%
Example only Costs for other equipment related to your project/initiative		\$ 10,000.00		\$ 10,000.00	1%
(Other line item)	\$ -			\$ -	0%
(Other line item)	\$ -			\$ -	0%
(Other line item)	\$ -			\$ -	0%
(Other line item)	\$ -			\$ -	0%
(Other line item)	\$ -			\$ -	0%
(Other line item)	\$ -			\$ -	0%
(Other line item)	\$ -			\$ -	0%
(Other line item)	\$ -			\$ -	0%
TOTAL PROJECT COST	\$ 238,000.00	\$ 252,000.00	\$ 261,000.00	\$ 751,000.00	100%
Further Information * Indicate calculation method for expenditure items e.g. quote * Indicate the source of any co-contributions					
Further information examples: Travel costs - \$500pa paid by state government grant \$10,000 for JR consultant based on quote (attached), \$2500 contribution from local council \$25,000pa rental costs from other source - shared space with [name of organisation]					

Steps to complete your budget

The following steps may be useful for creating your budget.

Step 1: Using your activity workplan, define the resources you need

Using the detail in your completed activity work plan, begin identifying what resources are needed to complete each activity (for instance, venue hire, catering and sitting fee costs for community meetings to attend meetings). You might group these under the categories provided in the template or use your own categories.

Keep a note of whether the resource or cost is something that will be a one-off cost (for example, purchasing of a vehicle) or if it will be ongoing (for example, yearly subscription to a data platform). This will then go to which budget year/s the cost is included.

Step 2: Estimate the cost of each resource

Now that you have identified the resources you need, begin assigning an estimated cost to each, depending on needs in your community (e.g. higher costs for more remote locations). Here are some techniques you can use to support this process:

- Use historical data: review actual costs from similar initiatives (if available).
- Consult others with experience, leaning on others in your organisation or professional network to access other examples of budgeting.
- Consult suppliers: get cost estimates from suppliers for the products and services that they will be supplying (such as an IT shop).
- Online research: review publicly available data such as Seek job ads or sample initiative budgets for similar initiatives to benchmark against comparable initiatives.
- Staff costs may be covered by an Award, which provides minimum pay rates. For example, for roles that are likely to come under the Social, Community, Home Care and Disability Services Industry Award, you can refer to the information page and minimum pay rates here: <https://www.fairwork.gov.au/employment-conditions/awards/awards-summary/ma000100-summary>

Step 3: Consider value for money

'Value for money' is a key requirement for all Commonwealth funding. You will need to consider whether your proposed budget provides value for money.

- Demonstrating that your organisation has or intends to source funding or in-kind support from other sources demonstrates an efficient, effective, economical and ethical use of public resources.
- Demonstrating that your budget costs (e.g. operational and staffing costs) align with those of similar initiatives and any relevant Industry Awards (as above).
- Your budget should be comprehensive and contain enough detail to show where the funds requested will be used. You could do this by:
 - Providing a breakdown of costs, especially for larger expenses. For instance, if you're budgeting for equipment, list each item and its cost (or include this in the notes column).
 - Connect each cost to a specific project activity. You could do this in the notes. This helps demonstrate that every expenditure is thoughtfully planned out and directly contributes to your project's goals.

Step 4: Include a contingency fund

It is almost impossible to predict exactly what everything will cost at the beginning of the initiative, so include a 5-10% 'contingency fund' to absorb increases in costs or emerging high priority activities.

Step 5: Build the budget

Bring your estimates together into the budget template or other document.

Step 6: Consider any supporting documentation that could be included

Supporting documentation (like quotes) can be included as supporting documents. These documents provide evidence and further justification for the expenses listed in your budget. Examples:

- Quotes and estimates for services and items you plan to purchase. This shows that your budget figures are based on real-world costs.
- Detailed breakdowns of costs, especially for larger expenses. This could be a detailed contractor quote or a breakdown of personnel costs.
- Letters of support or commitment from partners or stakeholders, especially if they are contributing resources or funding to the project

Step 7: Ask for feedback

Circulate your initiative budget within your team and organisation leadership for feedback and make any necessary revisions.

Verifying your budget (if your application is successful)

If your application is successful, you may be asked to verify costs that you provided in your application. You may need to provide evidence such as quotes for major costs.

A final budget will be agreed in partnership between the Grant Application organisation and the Commonwealth represented by Attorney-General's Department. This final budget will be included in the Grant Agreement.